

TRIAL EXHIBIT 6053



CNBC NEWS RELEASES

CNBC's Jim Cramer Interviews Google Inc. Chairman & CEO Eric Schmidt on "Mad Money with Jim Cramer" (Transcript Included)

Jennifer Dauble
Friday, 15 Aug 2008 | 9:40 AM ET



UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

TRIAL EXHIBIT 6053

CASE NO. 10-03561 WHA

DATE ENTERED _____

BY _____

DEPUTY CLERK

When: AUGUST 13TH AT 1:30PM ET

Where: CNBC'S "MAD MONEY W/JIM CRAMER"

Following is the unofficial transcript of a CNBC interview with Google Inc. Chairman & CEO Eric Schmidt on "Mad Money w/Jim Cramer."

All references must be sourced to CNBC's "Mad Money w/Jim Cramer."

CRAMER: I'M CRAMER, COMING TO YOU LIVE, "MAD MONEY: AT THE HALF." THERE'S ONE STOCK I'VE CHAMPIONED MORE THAN ANY OTHER SINCE BECOMING A TV PERSONALITY THAT STOCK IS GOOGLE. I CALLED THIS A BUY FROM THE MOMENT IT CAME PUBLIC. I SAID IT WOULD BE A TRIPLE. I WAS COMPLETELY WRONG. IT WAS UP A SEVEN-FOLDER. MY RECORD ON GOOGLE WASN'T PERFECT BUT NOW WHEN I SAY IT'S TIME TO BUY THIS ONE AND YES, HAND OVER FIST. IT'S PROBABLY A GOOD IDEA TO LISTEN UP AND LISTEN GOOD. GOOGLE GOT CREAMED AFTER ITS SO-CALLED BAD QUARTER BACK ON JULY 17th, I THOUGHT THE DECLINE WAS STUPID. I WOULD DECLARE IT TO BE AS STUPID AS BRICKS OR PLYWOOD. BECAUSE OF THESE PANICERS, YOU CAN PICK IT UP FOR ABOUT 500 BUCKS A SHARE. THAT'S A STEAL. TECH IS NOW BACK IN FAVOR. THANKS TO A DECLINE OF OIL, AND THE TRIUMPH OF DEFLATION OVER INFLATION THIS WAS A STUPID SELL OFF FOR USAT FANS. THE BEARS READ THE QUARTER THE WAY THEY WANT TO. AND NOW THE STOCK IS TRADING AT 20 TIMES MY FORWARD EARNING ESTIMATES DESPITE TORRID 30% LONG-TERM GROWTH RATE. THE ISSUE IS, AM I TOO BULLISH? ARE THE COSTS OF TRAFFIC GOING UP? IS THERE MORE EARNING CYCLICALITY THAN I THOUGHT? HAS DOMESTIC HIT A WALL? IS THE MANAGEMENT TEAM NOT INVESTOR FRIENDLY ENOUGH. IS ANDROID THE BIG NEW PHONE FOR REAL? THERE ARE QUESTIONS WE NEED ANSWERED BEFORE I GIVE IT TWO THUMBS

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UP. THAT'S WHY I'M THRILLED TO BRING ON ERIC SCHMIDT. WE WERE NOT DOING THAT TWO MINUTE CEO DRILL THAT TV IS INFAMOUS FOR. THIS MAN HAS CHANGED THE WORLD. A WORLD THAT I BELIEVE IS DIVIDED INTO BG AND AG YOU FIGURE OUT WHAT THOSE MEAN. MR. ERIC SCHMIDT. WELCOME.

SCHMIDT: I THINK THIS IS YOURS.

CRAMER: YOU GOT THE TOYS.

SCHMIDT: YOUR OFFICE LOOKS LIKE THE ONES AT GOOGLE.

CRAMER: THEY'VE GOT THE SPIRIT. THANK YOU. YOU HAVE A STOCK THAT'S AT 500 BUCKS. I GET STOPPED ALL THE TIME BY PEOPLE WHO KNOW I LOVE GOOGLE AND SAY, WILL YOU GET THE GUY TO SPLIT THE STOCK. I CAN'T AFFORD 500 BUCKS WHY WON'T THEY SPLIT IT. TELL ME HOW STUPID THAT IS.

SCHMIDT: THIS IS NEW YORK, THEY CAN AFFORD \$500.

CRAMER: I LIKE THAT BUT I ACTUALLY I GET THIS QUESTION WHEN I AM IN NORTH CAROLINA, TOO.

SCHMIDT: WE'RE NOT GOING TO SPLIT IT. PEOPLE THINK THE VALUE OF THE STOCK IS REALLY THE DOLLARS, SO WE KEEP IT HIGH.

CRAMER: I THINK THAT'S GOOD. I LIKE INDIVIDUALS TO BUY ONE SHARE. BERKSHIRE HATHAWAY DID THE SAME THING.

SCHMIDT: IT WORKS WELL.

CRAMER: PEOPLE FEEL YOU DON'T PROVIDE ENOUGH GUIDANCE, MANAGEMENT SHEPPARDING.

SCHMIDT: WE DON'T PROVIDE ANY GUIDANCE.

CRAMER: THAT'S BECAUSE --

SCHMIDT: WE DON'T WANT TO GET IN THE WAY OF RUNNING THE BUSINESS. IF WE STARTED GIVING QUARTERLY GUIDANCE THE COMPANY WOULD FOCUS ON THE QUARTER RATHER THAN TRYING TO CHANGE THE WORLD.

CRAMER: TOTALLY TRUE I WISH OTHER PEOPLE WOULD DO IT. THERE ARE 31 OUT OF 33 PEOPLE RECOMMENDING THE STOCK, SO IT MAY NOT HAVE MATTERED YOU'RE NOT HAND HOLDING.

SCHMIDT: WELL THESE ARE THE SMART PEOPLE--

CRAMER: INFORMATION TECHNOLOGY AND ADVERTISING. I THINK YOU HAVE REVOLUTIONIZED EVERYTHING. COULD YOU TELL ME GOLDMAN SACHS IS USING A PERCENTAGE OF THE GDP. RIGHT NOW, YOU'RE .7% OF THE GDP OF THE UNITED STATES. HERE'S WHAT I WANT TO KNOW. 600 BILLION DOLLARS IN ADVERTISING, IS IT FAIR TO THINK THAT SOMEDAY YOU WILL CAPTURE 10% OF IT.

SCHMIDT: WELL WE COULD. BY THE WAY THE NUMBER IS LARGER THAN 600 BILLION IT'S ABOUT A TRILLION GLOBALLY. IT IS PERFECTLY POSSIBLE IN THE ONLINE WORLD IT WOULD BE HALF WE WON'T GET 100%. WE DON'T KNOW HOW LONG IT WILL TAKE, BUT WE KNOW EVERYBODY'S MOVING FROM THESE TRADITIONALLY MECHANISMS TO TARGETED AND MEASURABLE ONES AND ONLINE IS WHERE THE MEASURABLE ONES ARE.

CRAMER: RIGHT NOW PREDOMINATELY DESKTOP, BUT COUNTRIES

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LIKE JAPAN, MOBILE COMPUTING. IS THAT GOING TO BE UP TO SNUFF AND CAN YOU MAKE AS MUCH MONEY IN MOBILE COMPUTING BECAUSE OF THE CELL PHONE COMPANIES?

SCHMIDT: WE CAN MAKE MORE IN MOBILE THAN DESKTOP EVENTUALLY. THE REASON BECAUSE THE MOBILE COMPUTER IS MORE TARGETED. THINK ABOUT IT YOU CARRY YOUR PHONE EVERYWHERE IT KNOWS ALL ABOUT YOU. WE CAN DO A VERY, VERY TARGETED AD.OVER TIME, WE WILL MAKE MORE MONEY FOR MOBILE ADVERTISING.

CRAMER: THERE ARE QUESTIONS THAT I'M READING, THERE'S A LOT OF THE STUFF ABOUT YOU IN THE PAPER EVERY DAY.ARE YOU COMPETING AGAINST THE ORIGINAL CONTENT PLAYERS?

SCHMIDT: WE THINK WE SEND A LOT OF TRAFFIC TO THEM. PEOPLE COME TO GOOGLE AND LOOK FOR INFORMATION AND IMMEDIATELY GO TO THE CONTENT PROVIDER. WE DONT WANT TO DISINTERMEDIATE THEM OUT, WE NEED THEIR CONTENT. WE NEED THEM TO BE SUCCESSFUL WE BUILD ADVERTISING PRODUCTS FOR THEM AND SO FORTH . VERY MUCH WE MAINTAIN THAT SEPARATION.

CRAMER: SO WHEN I READ THAT, I SHOULDJUST THINK TWICE ABOUT WHETHER THEY ARE NOT -- THERE IS A BIAS. YOU GUYS HAVE GOTTEN SO BIG, YESTERDAY, THERE WAS AN ARTICLE ABOUT HOW YOU DIDN'T HAVE GEORGIA IN THE MAP.

SCHMIDT: THAT TURNS OUT NOT TO BE TRUE.WE HAD THE SAME AMOUNT OF GEORGIA BEFORE THE WAR AS AFTER.WE'RE ADDING MORE GEORGIA GOING FORWARD CAUSE IT IS SUCH AN INTERESTING TOPIC.

CRAMER: I'VE GOT PEOPLE COMPLAINING, G-MAIL, YOU WERE OUT ON MONDAY.

SCHMIDT: THAT WAS A SCREW UP. WE FIXED THAT.WE'RE NOT PERFECT.

CRAMER: ALL RIGHT.NOW, I WANT TO TALK ABOUT PHILOSOPHICALLY, MY DAUGHTER GOT HER FIFTH GRADE ASSIGNMENT. THE FIRST THING THAT HAPPENED WAS THE TOP OF THE ASSIGNMENT, YOU ARE NOT ALLOWED TO GOOGLE IT.

SCHMIDT: REALLY?

CRAMER: YES.

SCHMIDT: ITS LIKE THE OLD THING YOU CAN'T USE THE CALCULATOR.

CRAMER: TALK ABOUT THAT.

SCHMIDT: KIDS USE IT ALL THE TIME BECAUSE IT'S A NEW WAY OF LEARNING. WHEN I WAS GROWING UP, IN VIRGINIA, THEY MADE ME MEMORIZE THE NAMES OF ALL THE CAPITALS OF EVERY COUNTY IN THE STATE. COMPLETELY USELESS INFORMATION. SO KIDS TODAY ARE GOING FROM KNOWING EVERYTHING TO BEING ABLE TO SEARCH VERY QUICKLY. THE KIDS NEED TO LEARN HOW TO SEARCH BECAUSE THEY'RE GOING TO HAVE TO SEARCH EVERYWHERE. THEY'RE GOING TO HAVE SEARCH EVERYWHERE ON DEVICES THAT THEY CARRY WITH THEM.

CRAMER: SO YOU'RE NOT WORRIED ABOUT INTELLECTUAL LAZINESS BECAUSE YOU GUYS HAVE DONE WHAT IT TOOK ME FOUR YEARS OF

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SCHMIDT: NOW, WHEN YOU WALK DOWN THE STREET, YOU SAY,
WOW, IT'S INTERESTING. I'M RIDING THE TRAIN BETWEEN HERE AND
D.C. AND I READ THE HISTORY OF THE TRAIN LINE. I COULD NEVER
HAVE DONE THAT BEFORE.

CRAMER: A LOT OF TIMES, I THINK THAT WHAT'S HAPPENED IS THAT
GOOGLE HAS BECOME SO POWERFUL AND WE'VE TAKEN IT FOR
GRANTED AND WOULDN'T KNOW HOW TO DO A LOT OF THE THINGS.

SCHMIDT: I DON'T BELIEVE IN THE LAZY PEOPLE DUMB PEOPLE. I
THINK PEOPLE ARE SMARTER BECAUSE THEY HAVE ACCESS TO
MORE INFORMATION. GOOGLE JUST ORGANIZES IT. THE PEOPLE ARE
STILL ASKING THE QUESTIONS, THEY'RE STILL THINKING IT. THEY
HAVE SO MUCH MORE INFORMATION AVAILABLE TO THEM.

CRAMER: OKAY. A LOT OF THE PEOPLE FEEL THAT WITH THE 26%
GROWTH YOU HIT FOR DOMESTIC THIS QUARTER THAT YOU'VE
TAPPED OUT DOMESTICALLY AND THAT THE GROWTH IS GOING TO
HAVE TO BE INTERNATIONAL.

SCHMIDT: BY THE WAY MOST WOULD SAY 26% IS GOOD?

CRAMER: I AGREE, BUT THERE'S 31 ANALYSTS WHO SAY YOU OUGHT
TO FOCUS ON THIS.

SCHMIDT: FIRST, WE DON'T KNOW WHAT'S GOING ON WITH THE
GLOBAL ECONOMY. GOOGLE WILL DO BETTER IN ANY KIND OF
SLOWDOWN THAN NON-TARGETED ADVERTISING BUT WE MIGHT BE
AFFECTED BY IT YOU NEVER KNOW. THE IMPORTANT POINT IS THAT
OUR MODEL CONTINUES TO WORK AS PEOPLE ARE SHIFTING FROM
OFFLINE TO ONLINE AND THAT SHIFT IS GOING TO HAPPEN NO
MATTER WHAT.

CRAMER: DO YOU THINK WE'RE GOING TO SEE, LET ME DO THIS.
GOOGLE HOME PAGE. IF WE CAN GET IT UP. I THINK YOU'VE
REVOLUTIONIZED ADVERTISING. WHY CAN'T YOU SELL AS
PRESENTED BY ANHEUSER-BUSCH.

SCHMIDT: WE ABSOLUTELY COULD

CRAMER: HOW MUCH WOULD PEOPLE PAY?

SCHMIDT: SOME NUMBER OF BILLIONS OF DOLLARS.

CRAMER: WHY NOT DO IT?

SCHMIDT: PEOPLE WOULDN'T LIKE IT. WE PRIORITIZE THE END USER
OVER THE ADVERTISER

CRAMER: YOU'RE WILLING TO THROW AWAY A HALF A BILLION
DOLLARS IN REVENUE?

SCHMIDT: ABSOLUTELY WE'RE NOT GOING TO SELL IT.

CRAMER: IF I'M A SHAREHOLDER, WHAT KIND OF ATTITUDE IS THAT?

SCHMIDT: YOU WANT THOSE USERS TO COME BACK.

CRAMER: THE DOMESTIC WOULD BE JUMP-STARTED.

SCHMIDT: EVENTUALLY, A MAGAZINE WITH ADS, PEOPLE WOULD
STOP READING IT.

CRAMER: DO YOU THINK THAT WE'LL SEE WITHIN OUR LIFETIME, THE INTERNATIONAL BUSINESS DWARFING THE UNITED STATES?

SCHMIDT: THE WORLD IS A REALLY BIG PLACE AND ADVERTISING IS ALREADY GLOBAL. WE'RE ALREADY IN THE MAJORITY INTERNATIONAL, I THINK IT'S GOING TO BE 65-35.

CRAMER: RIGHT NOW IT'S ABOUT 52%

SCHMIDT: AND LOOK AT THE GROWTH OF INDIA AND CHINA.

CRAMER: HOW ABOUT THIS PAGE?

SCHMIDT: I LIKE THAT.

CRAMER: I GOT QUESTIONS ABOUT WHAT'S GOING TO HAPPEN. STAY HERE. "MAD MONEY" CONTINUES IN A MOMENT.

CRAMER: WE'RE TALKING WITH ERIC SCHMIDT. I'M GOING BACK WITH THE \$750 PRICE.

SCHMIDT: I'VE NEVER SEEN A GOOGLE EMPLOYEE WITH THAT MANY TATTOOS.

CRAMER: TATOOS ARE BIG YOU GUYS HAVE TO GET MORE HIP. I WOULD SHOW YOU MY RING HERE. WHAT, I KNOW WE WERE TALKING, I KNOW YOU HAVE STUFF YOU WANT TO ASK ME.

SCHMIDT: A SIMPLE QUESTION. YOU THINK THE MARKET'S GOING TO TURN, BUT WHEN IS BUSINESS GOING TO TURN IN AMERICA? THINGS ARE ROCKY HERE.

CRAMER: THE MARKET IS ALWAYS ANTICIPATED BETWEEN SIX AND NINE MONTHS TURNS IN BUSINESS. HOUSING RIGHT NOW, THE HOUSING MARKET IS NINE MONTHS AWAY FROM THE TURN. THE STOCKS TELL ME MORE. IN YOUR CASE, I BELIEVE THAT YOU WILL GET BACK TO YOUR OLD PRICES BECAUSE INFLATION'S COMING DOWN. LET ME TELL YOU THE THINGS THAT KEEP ME UP AT NIGHT WITH GOOGLE. FIRST OF ALL, I THINK WHEN I FIRST STARTED TRADING IBM, I NEVER THOUGHT ANYONE COULD TOUCH THEM BIG BIG BIG AND THEN FLAT. THEN MICROSOFT BIG BIG BIG AND THEN FLAT, I WORRY THERE'S A LEVEL WHERE GOOGLE CAN'T GET ANY BIGGER. YOUR CONCERN?

SCHMIDT: ALL THESE TECH COMPANIES HIT THE S-CURVE. THEY GO THROUGH A RAPID GROWTH PERIOD THEN SLOWS BECAUSE OF LAWS OF LARGE NUMBERS. YOU'RE GROWING, JUST CAN'T PUT ENOUGH NUMBERS ON THE BOARD. YOU SOLVE THAT BY HAVING NEW BUSINESSES. WE'RE BUSY WORKING ON THAT. THE DISPLAY BUSINESS, WHICH IS A HUGE OPPORTUNITY WHICH WE SHOULD BECOME A HUGE PLAYER IN BUT WE ARE NOT. MOBILE SHOULD BE A LARGE ONE. THE WAY YOU ADDRESS THAT SLOW DOWN IN ANY TECHNOLOGY BUSINESS IS YOU KEEP ADDING OTHER BUSINESSES THAT ARE GROWING.

CRAMER: DIDN'T BALMER THINK OF THAT AND GATES THINK OF THAT, IT DIDN'T WORK.

SCHMIDT: THAT IS A DIFFERENT GENERATION. THIS IS AN ADVERTISING GENERATION AND ADVERTISING IS A MULTI-SECTOR THINGS WE CAN DO THIS AD REALLY WELL, BUT THERE'S A LOT OF OPPORTUNITIES FOR US. THEY'LL ORGANIZE THEMSELVES AS TECHNOLOGY ALLOWS. SOME OF THEM WILL GROW FASTER THAN THE OTHERS THAT'S HOW WE ADDRESS THAT QUESTION.

CRAMER: I USED TO MANAGE MONEY FOR INTEL EXECUTIVES IN THE LATE '80s, WHEN THEY SWITCHED FROM A COMMODITY PRODUCT, THE THING THEY RECOGNIZED WAS THAT THEIR ONLY ENEMY WOULD BE THE GOVERNMENT. THEY BELIEVED THAT ONE DAY, THEY COULD HAVE 90% MARKET SHARE. I WORRY THAT AT A CERTAIN PLACE, THE WORLD, CERTAINLY THE U.S. GOVERNMENT, WILL COME DOWN ON YOU BECAUSE YOU'RE JUST TOO DARNED POWERFUL. EACH MONTH, I SEE YOUR SHARE GO UP. AT A CERTAIN LEVEL PEOPLE ARE GOING TO GO TO WASHINGTON AND SAY IT ISN'T RIGHT.

SCHMIDT: WE'VE TALKED ABOUT THIS BECAUSE OUR ALGORITHMS ARE DOING BETTER. IT APPEARS WE'RE GETTING SHARE. OUR ADVERTISING BUSINESS WE HAVE THE BEST TECHNOLOGY IN THE BUSINESS AND SO FORTH, HOW DO WE BEHAVE? NOT THE WAY MICROSOFT DID. I WOULD NEVER DO THAT.

CRAMER: YOU'RE NOT GOING TO SAY THOSE NASTY THINGS?

SCHMIDT: WE ARE JUST NOT GOING TO DO THAT SO HOW YOU BE BIG WITHOUT BEING EVIL? WE DON'T TRAP END USERS, SO IF YOU DON'T LIKE GOOGLE, WE MAKE IT EASY FOR YOU TO MOVE TO OUR COMPETITOR. WE'RE TRYING TO MAKE SURE A COMPETITIVE MARKET IS MAINTAINED.

CRAMER: I KNOW THE YAHOO DEAL ON THE SURFACE ISN'T COMPETITIVE.

SCHMIDT: BUT LOOK AT IT THE YAHOO DEAL IS NON-EXCLUSIVE, TEXT ADS ONLY. IT'S A CLASSIC OUTSOURCING DEAL FOR SOME OF ITS ADVERTISING. THEY CAN CHOOSE TO USE IT OR NOT. IT'S A GOOD DEAL FOR THEM AND FOR US. THEY'RE FREE TO WORK WITH WHO THEY WISH.

CRAMER: ONE THING THAT'S BEEN BROUGHT UP A LOT IS THAT YOU MUST BE SEEING SOME CYCLICALITY -- WE KNOW THE AIRLINE'S IN TROUBLE, WE KNOW THAT TRAVELS IN TROUBLE WE KNOW THAT AUTO IS IN TROUBLE THAT'S BEEN WRONG, HASN'T IT?

SCHMIDT: IT'S BIZARRE. AUTOS ARE IN TROUBLE BECAUSE THE DEALERS ARE SMART. THEY MOVE TO MORE TARGETED ADVERTISING TO SELL WHAT THEY HAVE. SO WE CAN DO WELL IF PEOPLE MOVE TO MORE TARGETED OR MORE ROI-BASED ADVERTISING. THE ONES BEING HIT ARE THE NON-MEASURABLE ADVERTISING.

CRAMER: THAT'S NEWSPAPERS AND MAGAZINES

SCHMIDT: AND TRADITIONAL DISPLAY ADS.

CRAMER: I WHEN I TELL MY KIDS TO READ

"THE NEW YORK TIMES," THEY HAVE NO IDEA WHAT I AM TALKING ABOUT THEY SAY THEY GO TO GOOGLE. THAT'S WHAT "THE NEW YORK TIMES" IS. WHAT DO YOU SAY TO THE EXECUTIVES AT "THE NEW YORK TIMES" WHO HAVE \$500 MILLION AD BUDGET. WHY ARE YOU NOT JUST THE PARASITE

SCHMIDT: WE HAVE A BIG DEAL WITH "THE NEW YORK TIMES" AND WITH A BUNCH OF OTHER NEWSPAPERS. WHEN PEOPLE COME TO GOOGLE, LOOKING FOR NEWS, WE SEND IT TO THE TIMES AND WE ALSO SHOW SOME OF OUR ADS ON THEIR SITES AND THEY GET THE MAJORITY OF THE REVENUE. SO THEY MAKE MONEY BOTH ON THE TRAFFIC COMING TO THEM AND OUR AD SYSTEM.

CRAMER: LET'S SPEAK ABOUT A QUESTION THAT AGAIN, I'M TRYING ADDRESS THE QUESTIONS HOLDING THE STOCK DOWN. YOU HAVE TREMENDOUS DOWNLOADS IN YOUTUBE ARE EXTRAORDINARY.

SCHMIDT: IT'S UP TO 1.3 -- MILLION MINUTES EVERY TEN MINUTES OF UPLOAD? IN OTHER WORDS EVERY MINUTE WE ARE PUTTING THAT MANY VIDEOS IN. IT'S UNBELIEVABLE.

CRAMER: BUT AT THE SAME TIME, WHAT ADVERTISER WANTS TO PUT A 30 SECOND ADVERTISEMENT IN YOUTUBE, WHO WANTS TO LOOK AT THAT VERSUS THE ADVERTISEMENTS WE ARE DOING FOR THE OLYMPICS WHICH ARE JUST GIGANTIC 1.7 BILLION IN REVENUE. ISN'T IT TRUE THAT PEOPLE DON'T LIKE ADS ON YOUTUBE?

SCHMIDT: WE HAVE NOT FIGURED THAT MODEL OUT YET. YOU'RE COMPARING A 50-YEAR-OLD MATURE MODEL THAT WORKS REALLY WELL ONCE EVERY FOUR YEARS IN THE OLYMPICS, VERSUS SOMETHING THAT'S JUST STARTING. WE HAVE LOTS OF TRAFFIC.

CRAMER: SO YOU ARE JUST SAYING SOMEONE WILL JUST FIGURE IT OUT.

SCHMIDT: HOPING IT'S GOING TO BE US THAT FIGURES IT OUT. WE'RE TRYING DIFFERENT THINGS WE TRIED PRE-ROLL AND POST-ROLL NOT ANYONE ONE IS REALLY, WE HAVE A COUPLE NEW ONES COMING OUT.

CRAMER: YOU'RE MAKING SO MUCH MONEY YOU DON'T HAVE TO WORRY ABOUT IT. IT ISN'T LIKE IT IS GOING TO HIT YOUR BOTTOM LINE.

SCHMIDT: IT DOESN'T HIT OUR BOTTOM LINE.

CRAMER: SOME ARE SAYING IT WILL.

SCHMIDT: BUT EVENTUALLY WE'D LIKE TO MAKE MONEY OUT OF IT, BUT IF WE DON'T, THE FACT THAT SO MANY PEOPLE COME TO YOUTUBE, MEANS THEY ULTIMATELY GOOGLE AND DO GOOGLE SEARCHES AND CLICK ON ADS. SO DON'T BE TOO WORRIED ABOUT ALL THAT TRAFFIC GOING TO YOUTUBE. I'D BE WORRIED IF PEOPLE WEREN'T USING YOUTUBE. SINCE IT IS AN ENORMOUS SUCCESS GLOBALLY WE KNOW WE WILL BENEFIT.

CRAMER: LAST QUESTION. I WANT TO KNOW, THE PRESS, LIKE THE I PHONE. EVERYONE SAYS YOU'LL NEVER SEE ANYTHING LIKE THE ANDROID. WHEN IT COMES TO DESKTOP, OWNING MOBILE MAY BE UP TO YOU GUYS DEVELOPING ANDROID AND BEING SUCCESSFUL. WHERE IS IT? HOW BIG CAN IT BE? CAN YOU GIVE ME A STEVE JOBS 10 MILLION THIS YEAR KIND OF THING?

SCHMIDT: NO I CAN'T.

CRAMER: WHY?

SCHMIDT: IT HASN'T SHIPPED YET. IT WILL SHIP BETWEEN NOW AND THE END OF THE YEAR. IT'S SOFTWARE.

CRAMER: NO I NEED SEPTEMBER, OCTOBER.

SCHMIDT: NO BETWEEN NOW AND THE END OF THE YEAR.

CRAMER: WELL WHY DON'T YOU JUST TAKE AWAY MY RATINGS.

SCHMIDT: BY THE WAY, ALL I'M GOING TO SAY, IT'S SOFTWARE. OUR GOAL IS TO GET LOTS OF PEOPLE TO BUILD A NEW PLATFORM BY

USING IT.

CRAMER: THE SPEECH THAT SAID THAT BASICALLY SAID IT'S INTERESTING, BUT MICROSOFT SHOULD BE SCARED.

SCHMIDT: I NEVER WORRY ABOUT MICROSOFT

CRAMER: ERIC SCHMIDT, CEO OF GOOGLE. WHERE IS MY PEN, I WANT TO WRITE GOOGLE 750. YOU GET THE POINT.

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